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(Original Signature of Member)

115TH CONGRESS
1ST SESSION

H. RES. _____

Supporting initiatives by President Trump to create a new age of American prosperity by reducing the crushing tax burden on American families and American companies.

IN THE HOUSE OF REPRESENTATIVES

Mr. RENACCI submitted the following resolution; which was referred to the Committee on _____

RESOLUTION

Supporting initiatives by President Trump to create a new age of American prosperity by reducing the crushing tax burden on American families and American companies.

Whereas not since President Reagan signed into law the Tax Reform Act of 1986 has a significant overhaul been made to the now 2,400,000 word individual and corporate tax codes;

Whereas an average of 8,900,000,000 hours and \$409,000,000,000 in expenses are spent each year complying with Internal Revenue Service tax filing requirements;

Whereas 72 percent of Americans feel that the “economy is rigged to advantage the rich and powerful”;

Whereas the high individual rates in the current tax code take too much hard-earned money from ordinary Americans struggling to get by, reducing the amount of their badly needed take-home pay;

Whereas our outdated, worldwide tax system discourages increased investment in the United States, effectively trapping foreign earnings in other markets and fueling the migration of American businesses to lower-tax countries;

Whereas the United States currently taxes businesses at the highest statutory rates in the developed world, inhibiting their ability to hire and train new workers, raise wages for workers already on the payroll, and invest in research and new equipment;

Whereas it is evident from widespread research that comprehensive tax reform could prompt business investment, productivity gains, and increase output and wage growth;

Whereas cross country comparisons demonstrate that effective corporate tax rates have a large and significant adverse effect on corporate investment and entrepreneurship—raising the effective tax rate by 10 percentage points reduces the investment rate by 2.2 percentage points;

Whereas our current tax scheme is a complicated web of deductions, which reduce the effective rate, but create distortions and preferences (picking winners and losers), as well as onerous compliance costs;

Whereas lowering the rates would bring the United States more in line with 85 other developed countries, encouraging businesses with a global footprint to expand their

operations in the United States by enabling them to compete on an even playing field with foreign-based competitors;

Whereas a 2017 Organization for Economic Cooperation and Development (OECD) study suggested expansion to the United States economy could come through a corporate tax overhaul which would “drive household consumption and investment activity” while “tax simplification for the corporate sector would ease the burden, especially for smaller enterprises, which have recovered sluggishly from the financial crisis”; and

Whereas rate cuts have shown themselves to be a reliable catalyst for growth: Now, therefore, be it

1 *Resolved*, That the House of Representatives—

2 (1) affirms the leadership and commitment of
3 President Trump to simplifying the tax code for all
4 Americans so that it is simple, fair, and easy to understand;
5

6 (2) supports tax relief that will benefit Americans
7 by raising their standard deduction, increasing
8 the child tax credit, and lowering tax rates substantially;
9

10 (3) supports individual rate cuts that touch all
11 individuals and leverage higher rates of economic
12 stimulus;

13 (4) supports ending the rigged system where
14 special interests win at the expense of the middle-class;
15

1 (5) supports tax relief for all businesses of all
2 sizes, by reducing rates as much as possible to re-
3 store America's competitive edge and make America
4 the best place in the world to hire, invest, and to
5 grow;

6 (6) supports family businesses by not allowing
7 the death tax to crush the American dream;

8 (7) supports retooling the tax code to give
9 American workers a level playing field within our
10 international economy;

11 (8) supports switching from a worldwide tax
12 system that encourages companies to keep their
13 funds offshore to a territorial system that encour-
14 ages companies to bring their profits back home to
15 America;

16 (9) encourages following regular order as tax
17 reform moves forward to ensure the greatest likeli-
18 hood of success; and

19 (10) encourages all Americans to call on Con-
20 gress and demand delivery of this once-in-a-genera-
21 tion opportunity to put America first.